

2020 Budget Questions and Answers

Knollwood Baptist Church					
2019 Actual and 2020 Proposed Ministry Plan					
Updated: 1-15-20					
	2019 Actual		Proposed 2020		\$ Proposed Increase % Proposed Increase
Income:					
Receipts	\$ 1,489,274		\$ 1,540,038		
TTWS Support of Facility Use	10,000		10,000		
Other	7,070		5,000		
Missional Support of Facility Use	12,000		-		
Total Income	\$ 1,518,345		\$ 1,555,038		\$ 36,694 2.4%
Expenses:					
	2019 Actual	% of Total Income	Proposed 2020	% of Total Income	
Missions	\$ 148,927	10%	\$ 154,004	10%	
Personnel	801,996	53%	859,049	55%	
Facilities	264,012	17%	296,670	19%	
Active Ministries	122,857	8%	153,796	10%	
Office / Admin	69,076	5%	64,420	4%	
Major Maint/ Organ Reserve	27,100	2%	27,100	2%	
Total Expenses	\$ 1,433,970	94%	\$ 1,555,038	100%	
Net Income (Operating Reserve)	\$ 84,375	6%	\$ -		
		100%			

Ten per cent of our general receipts were allocated to a variety of local and international mission endeavors by the KBC Missions and Allocations Committee, a total of \$148,927. Other designated missions gifts to the church are NOT represented in our General Ministry budget or income statements.

Why do we need to increase website expenses?

Answer: After thorough research of past expenses and more study of the current costs associated with our 2018 website redesign, **we now project Website/Publicity costs of \$7,400 for 2020.** This includes monies for professional services to help maintain and enhance the website.

Why is our 2020 telephone budget so high? Didn't we just get a new phone system?

Answer: Our telephone costs have been significant for a decade. We had not replaced our system as of November 2019, although we have been talking about it for years. Our actual telephone costs for 2018 were \$14,338. Our actual costs for 2019 were \$16,825. We are required to have phone lines for the fire alarm, the security alarms, the elevator, and our basic phone lines in four buildings, including a line for TTWS.

The Facilities Committee has researched telephone systems to replace our outdated system that would be more cost-effective. We have negotiated and signed up for a new telephone system for 2020. **We now project 2020 Telephone expense to be \$16,000.**

We received several questions about the costs associated with the WCC and the rest of our facilities:

Tell us more about the people and organizations who use our buildings and how we pay for these costs.

Answer: We have 5 signature community partners: Imprints Cares, Refugee partnership, Bolton partnership, iCan House, and Young Life. And we serve Cub Scouts as a part of our general ministry. We do not charge for the use of our buildings by these groups.

There are many other community groups that align with our values and use our facilities. These groups include Anam Cara clergy, other church basketball teams, Forsyth Prison Chaplaincy, Alcoholics Anonymous and Al Anon, Baptist News Global, Yoga groups, Pickleball, Interfaith Winston-Salem, Care Net, CBFNC, Community Walking Program, Love Out Loud, Special Olympics, Racial Equity training meetings, and Zumba. We have not charged for these groups.

There are other groups who are charged a nominal fee, based on space and hours used, such as Adult Children of Aging Parents, members' birthday parties, WS Symphony Youth Orchestra Rehearsals, piano recitals, retired teacher groups, voice and guitar lessons. A subcommittee is working on updating the facilities use policy to clarify the appropriate charges for some use of our buildings.

At the end of 2019, MAAC voted to allocate \$12,000 of its 2019 Churchwide missions' budget to pay for a portion of the costs of hosting our 5 signature community mission partners.

What were the expected costs of the WCC compared to the actual costs we now have?

Answer: In the early stages of the planning for the building of the WCC the team projected approximately \$30,000 additional annual costs, primarily for utilities, insurance, cleaning and maintenance. Actual costs have come in higher, in part because we have been very successful in utilizing all aspects of the community room, arts and hearts room, gym, walking track, upstairs conference room, and computer room. Additionally, our determination to partner more with community groups that tie into our missional interests has meant a dramatic increase in the use of our entire campus. This is fulfilling our dreams for our renovated and newly built facilities. It also results in about \$20,000 more in facilities costs and a need for us to allot KBC funds for after-hours "hosts" and extra custodial services.

Are there tax implications for charging for facilities use? Answer: No

With salaries going up, how/why would funding for retirement go down?

Answer: We apply a recommended formula to the proposed salaries to project retirement expense. Actual expense can fluctuate each year due to the individual choices our staff members elect in a given year. The budget # represents an estimate.